

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 1 — 0 1 7

2. STATE:

Indiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 2001

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

405 IAC 5-31-8

7. FEDERAL BUDGET IMPACT: cost savings

a. FFY 02 \$ (\$2.8 million)

b. FFY 03 \$ (\$2.9 million)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19C, Page 1 and 1A

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Attachment 4.19C, Page 1

10. SUBJECT OF AMENDMENT:

Payment for reservation of nursing facility beds.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Melanie Bella

13. TYPED NAME:

Melanie Bella

14. TITLE:

Assistant Secretary, OMPP

15. DATE SUBMITTED:

October 19, 2001

16. RETURN TO:

MS07

Melanie Bella, Assistant Secretary
Office of Medicaid Policy and Planning
402 W. Washington Street, Room W382
Indianapolis, Indiana 46204
ATTN: Tracy Brunner**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

10/25/01

18. DATE APPROVED:

1/23/02

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

10-01-01

20. SIGNATURE OF REGIONAL OFFICIAL:

Cheryl A. Harris

21. TYPED NAME:

Cheryl A. Harris

22. TITLE: Associate Regional Administrator
Division of Medicaid and Children's Health

23. REMARKS:

RECEIVED

OCT 25 2001

DMCH - IL/IN/OH

Payment for Reservation of Beds**In a Nursing Facility:**

405 IAC 5-31-8 is amended to read as follows:

Sec. 8. (a) Although it is not mandatory for facilities to reserve beds, Medicaid will reimburse for reserving beds for Medicaid recipients at one-half (1/2) the per diem rate provided that the criteria as set out in this section are met.

(b) Hospitalization must be ordered by the physician for treatment of an acute condition that cannot be treated in the nursing facility. The total length of time allowed for payment of a reserved bed for a single hospital stay is fifteen (15) days. *Upon release from hospital, the individual has the right to the first available bed.* (c) A leave of absence must be for therapeutic reasons, as prescribed by the attending physician and as indicated in the recipient's plan of care. The total length of time allotted for therapeutic leaves in any calendar year is thirty (30) days. The leave days need not be consecutive.

(d) Although prior authorization by the office is not required to reserve a bed, a physician's order for the hospitalization or therapeutic leave must be on file in the facility.

(e) Requests for reimbursement of nursing facility services shall be expressed in units of full days. A day begins at midnight and ends twenty-four (24) hours later. The midnight-to-midnight method must be used when reporting days of service, even if the health facility uses a different definition for statistical or other purposes. The day of discharge is not covered.

(f) In no instance will Medicaid reimburse a nursing facility for reserving beds for Medicaid recipients when the nursing facility has an occupancy rate of less than ninety percent (90%). For purposes of this rule, the occupancy rate shall be determined by dividing the total number of residents in licensed beds, excluding residential beds, in the nursing facility taken from the midnight census as of the day that a Medicaid recipient takes a leave of absence, by the total number of licensed nursing facility beds, excluding residential beds.

In An Intermediate Care Facility for the Mentally Retarded (ICF/MR)

TN #01-017

Supersedes

TN #95-021

Approval Date: _____

Effective Date: October 1, 2001

405 IAC 5-13-6

Sec. 6. (a) Medicaid reimbursement is available for reserving beds in an ICF/MR for Medicaid recipients, at one-half (1/2) the regular per diem rate, when one (1) of the following conditions is present:

- (1) Hospitalization must be ordered by the physician for treatment of an acute condition that cannot be treated in the facility. The total length of time allowed for payment of a reserved bed for a single hospital stay shall be fifteen (15) days. If the recipient requires hospitalization longer than the fifteen (15) consecutive days, the recipient must be discharged from the facility. If the recipient is discharged from the ICF/MR following a hospitalization in excess of fifteen (15) consecutive days, the ICF/MR is still responsible for appropriate discharge planning if the ICF/MR does not intend to provide ongoing services following the hospitalization for those individuals who continue to require ICF/MR level of services. A physician's order for hospitalization must be maintained in the recipient's file at the facility. *Upon discharge from the hospital, the individual J.H. retains readmission rights to the ICF/MR.*
 - (2) A leave of absence must be for therapeutic reasons, as prescribed by the attending physician and as indicated in the recipient's habilitation plan. The total length of time allotted for therapeutic leaves in any calendar year shall be sixty (60) days per recipient residing in an ICF/MR. The leave days need not be consecutive. If the recipient is absent for more than sixty (60) days per year, no further Medicaid reimbursement shall be available for reserving a bed for that recipient in that year. A physician's order for the therapeutic leave must be maintained in the recipient's file at the facility.
- (b) Although prior authorization is not required to reserve a bed, a physician's order for the hospitalization or leave must be maintained in the recipient's file at the ICF/MR to obtain reimbursement at the reserved rate.
- (c) If readmission is required, guidelines should be followed as outlined in admission procedures in section 7 and 8 of this rule.